

MEMO# 20364

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SEC Proposes Rule to Require Electronic Filing of Transfer Agent Forms

©2006 Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice. [20364] September 11, 2006 TO: TRANSFER AGENT ADVISORY COMMITTEE No. 60-06 OPERATIONS COMMITTEE No. 23-06 SEC RULES COMMITTEE No. 40-06 SMALL FUNDS COMMITTEE No. 24-06 RE: SEC PROPOSES RULE TO REQUIRE ELECTRONIC FILING OF TRANSFER AGENT FORMS The Securities and Exchange Commission has published for comment a proposal to amend the rules and forms under Section 17A of the Securities Exchange Act of 1934 to require that the forms filed with respect to transfer agent registration, annual reporting, and withdrawal from registration be filed with the Commission electronically.¹ The forms would be filed on the Commission's EDGAR database in XML format and would be accessible to Commission staff and the public for search and retrieval. The proposed rulemaking is designed to improve the Commission's ability to utilize the information reported on the forms in performing its oversight function of transfer agent operations and to publicly disseminate the information on the forms. Specifically, the SEC is proposing to require transfer agents to file Form TA-1, Form TA-2 and Form TA-W electronically through EDGAR.² Transfer agents would also have to apply for and obtain access to EDGAR prior to filing the forms electronically in EDGAR. The SEC has developed a new application in EDGAR called EDGARLite, that filers can use to prepare an electronic version of transfer agent forms using Microsoft InfoPath 2003 and to submit the forms to EDGAR over an Internet connection. Transfer agents would not be required to use the EDGARLite application to prepare the forms. ¹ See Electronic Filing of Transfer Agent Forms, SEC Release No. 34-54356; File No. S7-14-06. The Release is available on the SEC's website at: <http://www.sec.gov/rules/proposed/34-54356.pdf>. ² In order to comply with the electronic filing requirement, transfer agents would need to have 1) a computer that meets the system requirements in the EDGAR Filer Manual to prepare and submit the form electronically, 2) Internet access, and 3) a web browser to download the forms from the EDGAR website and transmit the completed forms. ² Comments on the proposal are due to the SEC by October 26, 2006. The Investment Company Institute will make a determination on whether to submit a comment letter based on member input. Please provide any comments on the proposed amendments to the undersigned no later than October 5, 2006 at butler@ici.org or 202-326-5850. Diane M. Butler Director - Transfer Agency & International Operations

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